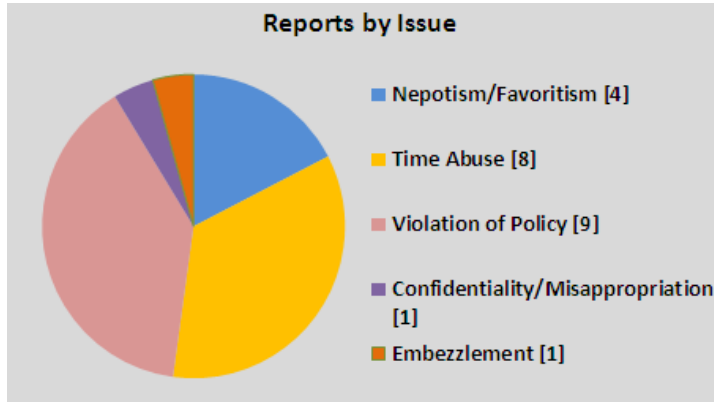# City of Roanoke Municipal Auditing
Fraud, Waste, and Abuse Hotline Update
June 5, 2013

Report Statistics [Inception-to-Date]

Five [5] hotline reports were filed between February 27, 2013 and May 28, 2013. The following graphics reflect inception-to-date activity of 23 reports since April 1, 2012.

Reports by Issue

- Nepotism/Favoritism [4]
- Time Abuse [8]
- Violation of Policy [9]
- Confidentiality/Misappropriation [1]
- Embezzlement [1]

Source of Reporting

Source	Reports	% of Reports	
Employees ◻	12	52.2%	
Non-Employees ◼	11	47.8%	
Total	23		

Report Intake Method

Intake Method	Reports	% of Reports	
Internet ◻	11	47.8%	
Call Center ◼	4	17.3%	
Internal Entry ◻	8	34.9%	
Total	23		

Anonymous

Source	Reports	% of Reports	
Anonymous ◻	18	78.3%	
Identified ◼	5	21.7%	
Total	23		

Infraction Duration

Duration	Reports	% of Reports	
1 to 3 months ◻	3	13%	
3 months to a year ◼	2	8.6%	
Don't know ◻	7	30.4%	
More than a year ◻	10	43.4%	
Once ◼	1	4.6%	
Total	23		

Management Implicated

Status	Reports	% of Reports	
Don't Know / Don't Wish To Disclose ◻	9	39.1%	
No ◼	4	17.3%	
Yes ◻	10	43.6%	
Total	23		

Current Status [Open Reports]:

- 5 reports have been referred to other agencies / departments.
- 9 reports are being investigated by Municipal Auditing.

Closed Reports [Fourth Quarter]

Closed Reports by Issue [Fourth Quarter] — Violation of Policy [2]

Closed Reports by Outcome [Fourth Quarter] — Substantiated [1], Unsubstantiated [1]
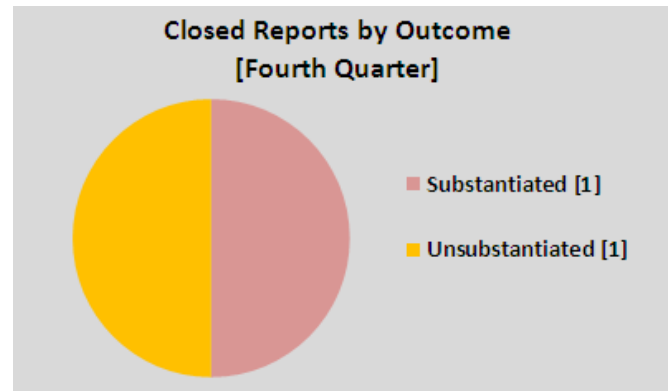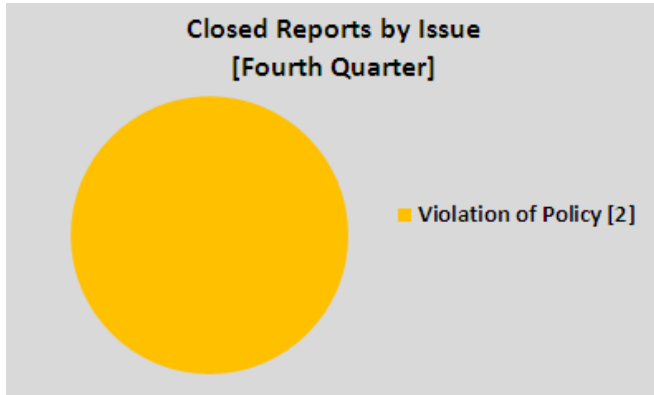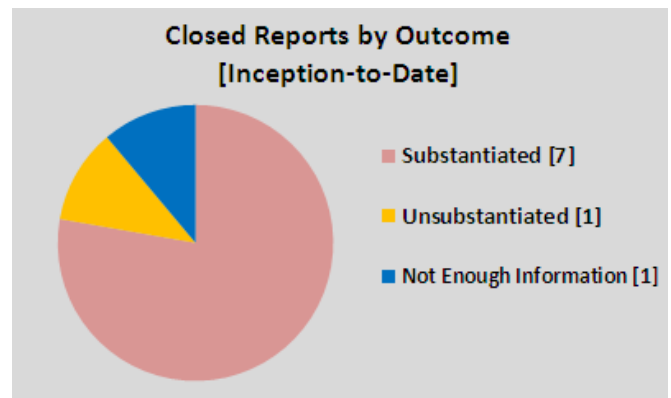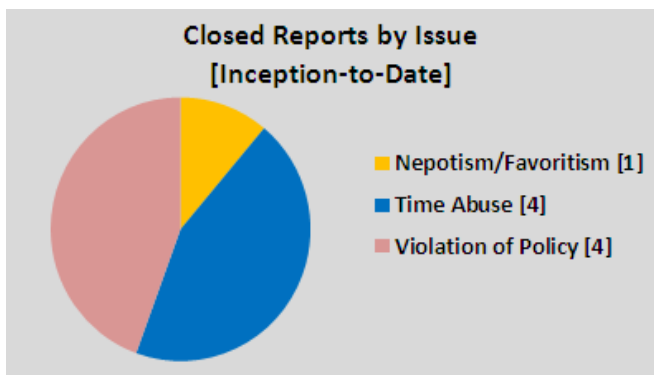
<u>Violation of Policy:</u> We substantiated a report that a School Boosters Association was not properly remitting admissions tax for sales of season passes. The Booster Association has contacted representatives of the Department of Billings and Collections and will begin remitting admission taxes with the 2013/2014 school year.

<u>Violation of Policy:</u> A report of potential criminal activity **not** involving the City of Roanoke government or related government organizations was received through our hotline and referred to the Police Department. The Roanoke City Police Department was unable to substantiate the complaint but will continue to monitor the situation.

Closed Reports [Inception-to-Date]

A total of [9] reports have been closed since April 1, 2012. Summary information is as follows:

Closed Reports by Issue [Inception-to-Date] — Nepotism/Favoritism [1], Time Abuse [4], Violation of Policy [4]

Closed Reports by Outcome [Inception-to-Date] — Substantiated [7], Unsubstantiated [1], Not Enough Information [1]

Issue Type	Count	Substantiated	Unsubstantiated	Not Enough Information
Nepotism/Favoritism	1	√		
Time Abuse	4	√		
Violation of Policy	2	√		
Violation of Policy	1		√	
Violation of Policy	1			√
Total	**9**	**7**	**1**	**1**

<u>Issue Type Definitions:</u>

Confidentiality / Misappropriation – Confidentiality refers to the protection of a Company's and its customer's non-public information and use of such information only for legitimate business purposes. Misappropriation refers to the unauthorized or improper use of a third party's intellectual property rights, including patents, trademarks, copyrights and trade secrets.

Embezzlement – To appropriate property entrusted to one's care fraudulently to one's own use.

Nepotism/ Favoritism Inappropriate Workplace Relationships – Refers to real or perceived favorable treatment or relationships between employees.

Time Abuse – Concerns about an employee or manager who is falsifying his/ her work hours.

Violation of Policy – Willful or innocent actions that are in direct violation of company policy, procedures, code of conduct, and / or implied contractual responsibilities.